

FISCAL NOTE

HB 2287 - SB 2313

January 30, 2004

SUMMARY OF BILL: Authorizes the owner of a building containing residential units to charge tenants separately for water and wastewater service based on usage as determined by the use of equipment or an economic allocation methodology. Specifies that such practice shall not cause the owner to be considered to be operating a public water system or public utility. Provides that the total amount of charges to the tenants shall not exceed the total charges paid by the owner of the building plus a reasonable fee for establishing, servicing, and billing for service. Requires that terms of the charges for water and wastewater service be disclosed to tenants prior to any contractual agreement.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - \$60,000

Other Fiscal Impact - To the extent the provisions of the bill create inconsistencies between the state's law and federal law regarding public water systems, \$1.3 million in grant funds provided to the state for regulation of public water systems and \$8 million in capitalization grant funds from the federal government could be jeopardized.

Estimate assumes apartment complexes currently charging customers separately for water and operating as a public water system would no longer be considered a public water system under the provisions of the bill and would no longer be required to pay the facility maintenance fees currently paid to the Department of Environment and Conservation resulting in a decrease in state revenues of approximately \$60,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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